FEDERAL EXCISE TAX
PLAN & TIMELINE

Overview:

President Clinton's has delivered a health care reform plan to Congress that contains a $.75 per pack cigarette excise tax increase.

PM-USA, PMCI Washington Relations Office and industry allies will implement a "steady flow" of grassroots pressure on Congress and the White House in response to the excise tax threat.

PM-USA has developed and will implement a very focused campaign to augment the "steady flow" campaign to defeat the provision of all health care reform plans that call for higher cigarette excise taxes.

Objective:

Develop and **wage a campaign** to defeat attempts at the federal level to increase the cigarette excise tax.

Goal:

Defeat increases to the federal excise tax on cigarettes.

Strategies:

- Target and focus on selected states and congressional districts, especially in the Southeast, of key U.S. Senators and Representatives.
- Emphasize the economic arguments (jobs, inflation, fiscal fairness, and revenue source instability).
- Publicize / re-publicize research and promote placement of LTE's to gain media coverage.
- Mobilize pro-tobacco, anti-tax citizens (smokers, employees, and economic allies).
- Coordinate efforts with industry partners to coincide with the calendars of the DNC health care campaign, congressional hearings, White House briefings, and other key events.
- Support health care plans that do not rely on increased tobacco taxes as a funding source.

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Source: https://www.industrydocuments.ucsf.edu/docs/xnhj0000

I think a chat with Grover Nordquist might be helpful. What do you think?

Grover 1/7/16

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PHASE ONE: (December, 1993 through February 1994)

GOVERNMENT AFFAIRS/COMMUNITY RELATIONS

1) Utilize PM's network of state lobbyists to initiate constituency visitation/contact plans for approved congressional targets. Each region will submit and implement the plan.

2) Identify PM grant recipients that will offer assistance. Focus on groups that have received substantial PM support, as well as benefited from the fundraising efforts of senior management. (e.g. Alvin Ailey, Polytechnic)

3) Activate key state, local legislators and key business allies in targeted districts to send letters and visit with targeted federal legislators.

4) Identify PM USA and Corporate resources that will assist PHIL-PAC in fundraising activities for key Members of Congress or the Senate.

INTERNAL AND EXTERNAL COMMUNICATIONS / MOBILIZATIONS

1) Fulfillment Conversion program expansion --
Situation Current: 250,000 responses to fulfillment insert to date. Currently generates approximately 6,000 letters to Capitol Hill each month.

Program Continuation: January - February, 1994: Drop 100,000 kits per month. Universe from fulfillment stuffers and supplemented with WIC survey responders. Will generate approximately 10,000 letters to the Hill per month.

2) Point of Sale Materials --
Develop with the sales and marketing organization a plan to get point of sales materials to retail during 1st quarter of 1994.

3) Smokers' Advocate/Caucus Notes--
Publications have reached 500,000 Advocates and 12,000 Caucus members. Continue to provide smokers with updates on the tax situation, as well as the most up to date course of action we want them to take. Both publications will be produced on a bi-monthly basis during 1994. Newsletters will be sent in alternating months.

4) LTEs, Op-Eds
Provide LTEs and Op-Eds for placement by previously identified third parties.

6) PM-USA Employee Communications --
Produce issue newsletters for PM employees, vendors and other groups. Publications prepared on as needed basis. Additionally, employees will be apprised of developments through senior management communications. Priority is to keep employees informed so that they receive FET news from senior management, rather than from the media.

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7) Letters from hourly employees to Congress will continue on an on-going basis Currently, these letters say to Members "Thanks for all your help". In addition, through the use of Targetvision, periodic updates relating to the FET issue will be broadcast in order to position the workforce to respond quickly to a call to action request.

8) Prepare mobilization plans for BCT employees in Richmond, Louisville and Cabbarus on FET activities. In addition, representatives of BCT locals would meet with Members of Congress from areas surrounding plant communities during the December-January Congressional recess.

9) Town Meeting Fliers --
Alert activists of health care reform forums in their state, by mailing them a flier informing them of the date and time, as well as a few talking points.

RESEARCH AND PUBLIC POLICY GROUPS

1) Update arguments against excise taxes, to include. jobs, economic impact, regressivity, revenue source instability cross-border smuggling, etc. according to polling / survey / focus group feed-back.

2) Support preparation of and distribution by third-parties all economic impact data, cross-border studies, white papers, etc.

PUBLIC RELATIONS

1) Assist and support RJR in fifty states including highly targeted states/districts. This includes:

- LTE's/Op-Eds
- Third party press conferences
- Editorial board meetings (Leave Behinds)
- Media prepping (Backgrounders)
- Coordinating of third party resources

2) Work with farm broadcasters in tobacco producing areas to ensure that the tobacco tax fight receives maximum media coverage in the rural Southeast. The goal of this tactic is to position tobacco tax in such a way, that Southeastern voters would prefer to have no health care reform if a tobacco tax is the principle revenue source.

PHASE TWO: (January through April)

GOVERNMENT AFFAIRS/COMMUNITY RELATIONS

1) Participate in fund-raisers for targeted members, to be arranged by WRO.

2) Activate key state and local officials and key business allies in targeted districts to send letters and visit targets.

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3) Work with Corporate and WRO on major check presentation / announcement ceremonies in key states and districts.

INTERNAL AND EXTERNAL COMMUNICATIONS / MOBILIZATIONS

1) Consumer Mail -- Use PM / RJR joint database to build grassroots pressure on committee targets starting in February. Build to critical mass by April.

2) Fulfillment Conversion program expansion --
Program Continuation: March - April, 1994: Drop 100,000 kits per month. Universe from fulfillment stunners and supplemented with WIC survey responders. This will generate approximately 10,000 letters to the hill per month.

3) Retailer Mail/Phone -- Send mailgram to all retailers in committee members districts urging them to write.

4) Polling in key districts to determine likelihood of opposition for candidate supporting tax.

5) FET Week--
Develop and implement a letter-writing campaign for all PM Companies similar to PM USA program. Packets of information to aid employees write letters to be provided. PM USA staff will visit the larger plants and facilities and offer expertise as needed.

6) PM Companies--
Work with KGF Internal Communications Council -- communications personnel from all companies -- to have FET updates inserted in their publications.

7) Grasstops --
Direct communication with the "A-Team", campaign contributors in the mobilization database, and other grasstops contacts. To increase the number of important contacts, we will pace the amount and timing of grasstops communications to legislators. Oversee the solicitations each month of a specific number of grasstops targets.

8) Advertising --
Provide ad copy, when necessary, for a NSA or other third party vehicle to fight the excise tax increase

RESEARCH AND PUBLIC POLICY GROUPS

1) Develop and distribute "PM Importance" information packets to targeted members ofCongress.

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2) Assemble and assist a coalition of small businesses in developing, distributing and publicizing research that expands on the jobs at risk due to the health care reform proposal.

3) Assist in promotion of health care reform plans that do not contain a cigarette tax increase. Viable options when feasible.

4) Work with Corporate to identify PM-supported public policy groups will work with us by releasing studies, testifying, and authoring op-ed pieces opposed to the cigarette tax.

ECONOMIC ALLIES

1) PM USA Suppliers
Meet with major PM USA suppliers in Richmond and New York (in separate meetings) to discuss the impact of the proposed excise tax increase on their businesses and others involved in the tobacco industry. Discuss strategies and timelines for implementing various grassroots programs involving business owners, their employees, subcontractors and other divisions.

2) Other PM Suppliers
Identify other suppliers doing significant business who should be contacted and briefed on the issue.

3) Minority Business Organizations
Work with Corporate Public Programs to identify minority and women's business organizations that will provide third party support both in steady flow and at pressure points.

4) Key Customer Accounts
Identify potential allies from the list of our top 200 customers and enlist their assistance in the FET fight..

PUBLIC RELATIONS

1) Based on the Administration and Congressional activity on the health care package:

- Assist RJR in their efforts to have individuals and group representatives at 'Town Hall' functions
- Brief local reporters before hand (Backgrounders)
- Prepare local spokespersons for media appearances

2) Gain increased coverage for non-tobacco related groups in key districts.

- Determine key Third Party resources .
- Special focus on non-traditional third parties such as the petroleum associations.

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3) Brief third parties on the impact of the FET on their business. Provide:

- Talking Points necessary to make a valuable presentation of their position
- FET packs/media folders containing both state and federal data as Leave Behinds.
- Special effort will be made in the area of minority business leaders and minority media outlets, as provided by PM USA and Corporate Public Programs.
- Group Press Conferences are proposed both in state and in Washington, D.C.

4) Identify key local media talent with long standing conservative philosophies. Provide with Backgrounders and Leave Behinds:

- FET materials
- Jobs At Risk data
- CPI/Inflation materials
- Other pertinent economic data

5) Identify and use key legislative 'influencers', by providing message points and suggestions for actual meetings with the legislator if necessary.

6) Continue to explore the possible uses of highly focused, regional arguments to compliment our overall plan. Examples include:

- Use of the criminal activity/cigarette smuggling issues in specific areas of the country.

7) Strategically purchase advertising in various farm publications in such a way as to emphasize the economic devastation which would be wrought from a big tobacco tax.

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PHASE THREE: (April to September/October)

GOVERNMENT AFFAIRS/COMMUNITY RELATIONS (Activities TBD)

INTERNAL AND EXTERNAL COMMUNICATIONS / MOBILIZATIONS

1) Consumer Mail -- Consider possibility of mailgrams/post cards, etc. to supplement hand-written letters. Major mailing from NSA to total membership in committee members districts at the end of April.

2) Retailer Mail/Phone -- Send mailgram to all retailers in committee members districts urging them to write or telephone their legislator

3) Launch LTE program to 6,000 database LTE volunteers encouraging that they write letters to their local papers in early May. Conduct follow-up phoning in key committee districts to bolster response.

4) Polling in key districts to determine likelihood of opposition for candidate supporting tax.

5) During mark-up or any other time when appropriate, consider a bus trip from Plant communities to Washington, D.C.

RESEARCH AND PUBLIC POLICY GROUPS (Activities TBD)

ECONOMIC ALLIES (Activities TBD)

PUBLIC RELATIONS (Activities TBD)

Budget:

The estimated non-budgeted 1994 costs of our campaign is approximately **$1,500,000.** The principal cost factor is expanded mobilization activities around key pressure points/dates/events. Below is a list of non-budgeted mobilization items:

• Fulfillment Conversion through April	$450,000
• Mail Program to Committee targets	$150,000
• Floor Vote activities	$300,000
• A-Team (grasstops)	$ 40,000
• Public Relations	$260,000
• Research/Polls/Surveys	$150,000
• Coalition Building	$150,000
Total Unbudgeted Costs:	$1,500,000

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Source: https://www.industrydocuments.ucsf.edu/docs/xnhj0000